

MoFE Training Manual



Kentucky Department of Education
Office of Next Generation Learners
Division of Learning Services
(502) 564-4970

Nick Easter, Nick.Easter@education.ky.gov
Vy Hunter, vy.hunter@education.ky.gov

Table of Contents

- [Maintenance of Fiscal Effort](#)
- [MoFE QUESTIONS AND ANSWERS](#)
- [MoFE Report Supplemental Instructions](#)
- [Example of LEA MoFE Reductions](#)

Resources

[Student Information System Special Education](#)

This site holds all information and documentation for Infinite Campus for Special Education and for Reporting

**UNDER PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT
AMENDMENTS OF 2004**

**Maintenance of Fiscal Effort
Excess Cost Report (Part I) and
Non-Supplanting (Part II)**

**For
School Year 2013-2014**

**DUE DATE:
January 31, 2015
(Early Submissions are Encouraged)**

**Submit using the Secure File Transfer (DoSE Upload)
Found on the Kentucky Web Applications at**

<https://applications.education.ky.gov/login/>

*The introduction below is a paraphrased excerpt from
Appendix A of the new 34 CFR Part 300—Excess Costs Calculation*

Except as otherwise provided, amounts provided to a school district under Part B of the Individuals with Disabilities Education Act (IDEA) may only be used to pay the excess costs of providing special education and related services to children with disabilities. **Excess Costs** are those costs for the education of an elementary school or secondary school student with a disability that are in excess of the *Average Per Pupil Amount* (APPA) the district spent during the preceding school year for an elementary school or secondary school student (*calculated on Line 10*), as may be appropriate. A local school district must spend at least the APPA on the education of an elementary school or secondary school child with a disability before funds under Part B of the IDEA are used to pay the excess cost of providing special education and related services.

Section 602(8) of the Act and 34 CFR 300.16 require the local school district to compute the minimum average amount separately for children with disabilities in its elementary schools and for children with disabilities in its secondary schools. School districts may not compute the minimum average amount it must spend on the education of children with disabilities based on a combination of the enrollments in its elementary schools and secondary schools.

Maintenance of Fiscal Effort Overview:

The ***Maintenance of Fiscal Effort (MoFE)*** is a two Part report. **Part I** is the requirement that funds awarded under Part B of the Individuals with Disabilities Education Act (IDEA) must be spent to pay the **Excess Cost** of providing special education and related services. *For further information about meeting the Excess Cost Requirement please refer to 34 CFR 300.16; 300.202 and Appendix A to this regulation.*

Part II of the MoFE report is Meeting the **Non-Supplanting** Requirements of the IDEA. This requirement differs from the **Excess Cost** in that it requires a district to maintain or increase the state and local or local effort only spent providing special education and related services to children with disabilities from year to year. *The Non-Supplanting requirements are specified at 34 CFR 300.203 through 205.*

Please refer to the end of this document for further information relative to both **Excess Cost** and **Non-Supplanting** requirements

The 2014-2015 Maintenance of Effort Report for Special Education has been not revised this year. The requirements and the report are substantially the same, the report continues to isolate expenditures that are charged to various Fund sources or programs. These changes are most impactful on the worksheets for the tabs labeled “**Last Year**” and “**Current Year Budget**”. Data

on the tab labeled “*Previous Year*” are pre-populated based on data provided from the district’s prior year report and may not be as complete as necessary to reflect the actual expenditures in the district. The “*Previous Year*” tab, though pre-populated with prior year data, is **not** protected. This means values as displayed may be changed. However, please limit changes to only the yellow cells as other cells are based on the data in these cells and should remain unchanged.

Specific Step by Step Instructions:

Part I – Meeting the Excess Cost Requirement

- Step 1: Please read these instructions completely prior to beginning to complete the MoFE Form.
- Step 2: Open the 2014-2015 MoFE Report using MS Excel.
- Step 3: On the MoFE tab, in the yellow cell labeled ‘Secondary Grades’ select from the drop box the grades in your district that are considered Secondary School.

DISTRICT:	Adair County Schools	DISTRICT No.:	001
Student Counts for Last (2012-2013) and Current Year (2013-2014) Pre-Populated Based on K-8 Elementary and 9-12 Secondary Configuration		Elementary Grades	Secondary Grades
Update Counts to Reflect District Elementary & Secondary Configuration	Select the Grade Range Considered Secondary for the Adair County Schools School District:		
	Last Year (2012-2013) Growth Factor Count:	0	0
	Current Year (2013-2014) Growth Factor Count:	0	0
	Previous Year (2011-2012) December 1 Child Count:	0	0
	Last Year (2012-2013) December 1 Child Count:	0	0
Enter the Current Year (2013-2014) December 1 Child Count for Grades Elementary and Grades Secondary:			

Once selected, note that various cells on this sheet will auto-populate with district specific data from the December 2011 and December 2012 Child Counts and from the October 2012 Growth Factor Report. Note that the Current Year Growth Factor Count for 2014-2015 will not be populated. This is ok as this count is not used in the report.

- Step 4: In the screen shot above, note the yellow cells on the bottom that are the December 1, 2014 Child Count. These data are not yet available. However this data will be available prior to the due date of the report and can be populated when the counts are available using the grade ranges noted for the district.

Step 5: These instructions are specific to the yellow cells in the image below:

PART I MEETING THE EXCESS COSTS REQUIREMENT		Current Year = SY 2013-2014 Last Year = SY 2012-2013 Previous Year = 2011-2012	
ALL Expenditures for Part I Must be Reported Separately as Elementary or Secondary Expenses. <i>District wide central office and transportation expenditures should be prorated. Preschool expenditures should be excluded.</i>		Last Year (2012-2013) Annual Finance Report	
		Grades K-8	Grades 9-12
1. From the <i>Annual Finance Report</i> enter the total State, Local and Federal funds spent from <i>Fund 01, Fund 02, and State On-Behalf</i> , during the identified school year for Elementary and Secondary education programs. <i>Report on Lines 1a and 1b:</i> All State/Local and Federal Expenditures from Funds 01 and 02. <i>Report on Line 1c:</i> If included on either Line 1a or Line 1b, enter on Line 1c under the Elementary column, funds spent on the 4 Year Old At-Risk, IDEA Pre-School, Head Start, or any other Pre-K students. Under the Secondary column funds spent on Adult Education or Post Secondary Programs. If the amounts entered display in RED that means the amount reported this year is significantly different than the amount reported last year for this same expense. Significant is defined as a 25% or more difference.	a) State and Local		
	b) Federal		
	c) Preschool & Adult E		
	d) Total	0.00	0.00
2. Amount of funds included in Line 1d above spent for facilities, acquisition, and construction services (function codes 4100-4900) and for debt service and fund transfers (function codes 5100-5200);	Total		

Please note that the expenditures listed here must be specific to the *Elementary* and *Secondary* grades as identified in Step 3 above. For most districts the grade ranges will be as demonstrated in the screen shot above; K through 8 for elementary and 9 through 12 for secondary. However if you select different grades in Step 3, the image will display the selected grades. (*Please note that if you have students on alternate assessment reported in Grade 14, those students are to be reported as Secondary. Preschool students should NOT be included in either cell.*)

Row 1 consists of data from the *Annual Financial Report* from the 2013-2014 school year. Data from the report are to be entered based on the grade ranges identified and from the fund sources described.

- On Row 1a, enter the total amount of State and Local Funds (*typically fund 1 but may include some Fund 2 expenditures*) spent at the elementary and secondary levels respectively.
- On Row 1b, enter the total amount of Federal Funds (*typically fund 2*) spent at the elementary and secondary levels respectively.
- On Row 1c, enter any amount that is included in Row 1a and Row 1b for *Preschool* programs under the grades for elementary and under the grades for secondary enter any expenditures in Row 1a and Row 1b for *Adult Education* programs. If the amounts in Row 1a and Row 1b do not include expenditures for *Preschool* or *Adult Education* programs, leave Row 1c blank.
- Row 1d will auto-calculate based on the amounts entered on Rows 1a, 1b, and 1c.

Step 6: On Row 2, enter the amount included in Row 1d any amounts spent for facilities, acquisition, and constructions services from MUNIS Function Codes 4100 through 4900 plus any amounts included on Row 1d spent for debt service and fund transfers from MUNIS Function Codes 5100 through 5200.

Step 7: Skip to Row 6 as indicated in the image below.

6. Amount of reimbursements received during the prior year from Medicaid for health services provided to special education students prorated between Elementary and Secondary.

On Row 6 for Elementary and Secondary, enter the amount of reimbursements received during the 2013-2014 school year from Medicaid for health services provided to children with disabilities pursuant to an IEP. Amounts should be entered appropriately based on the services provided to elementary and secondary school students.

Step 8: Skip to the tab labeled “**Last Year**”. On this tab enter all expenditures used to provide special education and related services during the 2013-2014 school year to elementary and secondary school students for the grades as identified on Step 3. Report expenditures separately based on fund source (*Fund 1/Fund 2/On-Behalf*), whether IDEA or other Federal funds, and by general activity. When

For the purposes of this sheet, report expenditures that support the special education program that are paid from **Fund 1** and **Fund 2** accounts by the Activities listed and the grade levels indicated. The column on the left side of the screen list various activities and is intended to be used as a guide for collecting expenditures that occurred during the school year. Activities include the salaries and benefits of the program Director and Assistant Directors if applicable, salaries and benefits of both certified and classified staff providing services either direct or related to children with disabilities as well as salaries of support staff such as clerks may provide indirect administrative or other support specifically for the special education program. Salaries that are not elementary or secondary specific should be prorated between these two levels. This is especially important for the Director and Assistant Directors, their support staff, and Speech Language Pathologists who serve students across levels.

Other activities include the cost of supplies, materials, and equipment used at each level during the 2013-2014 school year, costs associated with contracted services, cost for plant maintenance and operation (*this amount should be the total cost spent for plant maintenance and operation multiplied by the district’s restricted indirect cost rate and then prorated between elementary and secondary*), cost of providing special transportation, and any other expenditures for miscellaneous activities that were readily identifiable in the other activities provided.

Costs are reported by several Fund sources which include **Fund 1**, **Fund 2**, and **On-Behalf**. All expenditures for the special education program will be from these 3 funds. However, because of the need for disaggregation, Fund 2 expenditures will be separated later on this sheet between IDEA and other Federal, Non-IDEA expenditures. Below is an image of the first two Funds (*1 and 2*).

Fund 1 is the district's general fund and typically includes both State and Local funds that the district uses to administer most traditional programs in the district. **Fund 2** is typically Federal funds or State grant funds for specific programs. IDEA and Title Funds are examples of **Fund 2** accounts. Because this page is used to report expenditures for special education only, it is possible that all Fund 2 expenditures are from IDEA Funds. By default, the IDEA expenditures reported on this sheet are set to auto-calculate based on the amounts entered for Fund 2 (*these IDEA Funds may be overwritten*). In addition, the Federal Non-IDEA expenditures are set to auto-calculate based on the amount reported in Fund 2 less the amount reported for IDEA (*these Federal Non-IDEA expenditures may also be overwritten*).

Expenditure Activity (SY 2012-2013)	Special Education and Related Services: On-Behalf - Insurance and Retirement		Special Education and Related Services: Fund 1, 2 and On-Behalf Payments	
	Elementary	Secondary	Elementary	Secondary
Salary of the Program Director			0.00	0.00
Salaries of Other Personnel Include Salaries of Personnel Who: • Provide Instructional Services to Students Participating in the Program. • Provide Instructional Assistance Such as Instructional Aides and Paraprofessional. • Provide Administrative Assistance Such as Clerical Aides and Data			0.00	0.00

The next set of columns on this spread sheet are the **On-Behalf** expenditures and then the auto-calculated sum of each of these 3 funds (*Fund 1, Fund 2, and On-Behalf*). When entering expenses specific to **On-Behalf**, this category is restricted to only allow expenditures specific to salary related activities as **On-Behalf** are state paid benefits related to employee compensation. These amounts should be based on the salaries paid to the employees included in Fund 1 (*and Fund 2 if it is a state grant*). Do not include **On-Behalf** payments for staff who are not considered special education and whose salaries are not included in **Fund 1** (*or Fund 2 if paid from a state grant*) of this sheet.

The next two sets of columns are a subset of **Fund 2** expenditures entered previously. As noted above, **Fund 2** includes all Federal and some State Grant expenditures. These columns disaggregate the amount of **Fund 2** expenditures that were from **IDEA** and the amount of **Fund 2 - Other Federal (Non-IDEA) Funds**. Because

Fund 2 IDEA expenditures are often the amount reported in Fund 2 of this sheet, this column is auto-calculated to match the amounts entered in that column while the amount in **Fund 2 – Other Federal (Non-IDEA)** is auto-calculated to be the amount in Fund 2 less the amount reported as IDEA Funds. As noted above, these auto-calculated amounts may be replaced.

Expenditure Activity (SY 2012-2013)	Special Education and Related Services: Fund 2 Expenditures - IDEA Funds		Special Education and Related Services: Fund 2 - Other Federal (Non-IDEA) Funds	
	Elementary	Secondary	Elementary	Secondary
Salary of the Program Director	0.00	0.00	0.00	0.00
Salaries of Other Personnel Include Salaries of Personnel Who: • Provide Instructional Services to Students Participating in the Program. • Provide Instructional Assistance Such as Instructional Aides and Paraprofessional.	0.00	0.00	0.00	0.00

If the amounts in these cells are changed to reflect actual expenditures different than those auto-calculated, please note that the total reported may not exceed the amount reported in Fund 2 either individually or in total. When the amounts entered exceed the allowed amount, the values entered here will appear in a **bold red font** and should be changed.

The final group of expenditures is auto-calculated amounts for all Federal and all State and Local expenditures.

Expenditure Activity (SY 2012-2013)	Special Education and Related Services: Total - All Federal Funds		Special Education and Related Services: Total - State and Local Funds	
	Elementary	Secondary	Elementary	Secondary
Salary of the Program Director	0.00	0.00	0.00	0.00
Salaries of Other Personnel Include Salaries of Personnel Who: • Provide Instructional Services to Students Participating in the Program. • Provide Instructional Assistance Such as Instructional Aides and Paraprofessional.	0.00	0.00	0.00	0.00

These cells are all protected and auto-calculated based on amounts entered in other areas of this spreadsheet. The **Total -All Federal Funds** is the sum of the amounts from the previous two groups described immediately above. Often this amount will be the same as reported for **Fund 2**. The amounts calculated for the **Total - State and Local Funds** is the difference between the total for **Fund 1**, **Fund 2**, and **On-Behalf** less the amount for **Total - All Federal Funds**.

Step 9: After ALL of the expenditure data have been entered in the appropriate yellow cells for the “***Last Year***” spreadsheet, scroll to the bottom half of the spread sheet under ***Fund 1*** and ***Fund 2*** as seen in the image below.

Expenditure Activity (SY 2012-2013)	Special Education and Related Services: Fund 1 Expenditures		Special Education and Related Services: Fund 2 Expenditures	
	Elementary	Secondary	Elementary	Secondary
Percent of Fund from Local Revenue:	% Local: (If Calculated)		% Local: (If Calculated)	
Total Local Funds Only	0.00	0.00	0.00	0.00
Percent of Fund from State Revenue:	% State: (or % State and Local)	100.00%	% State: (or % State and Local)	
Total State Funds Only	0.00	0.00	0.00	0.00
Percent of Fund from Federal Revenue:	% Federal:		% Federal:	100.00%
Total Federal Funds Only	0.00	0.00	0.00	0.00

This part of the spreadsheet is ***optional*** and will be used when a district fails to meet the **Non-Supplanting** requirements on the bottom half of the “***MoFE Report***” tab using *State and Local Funds*. The IDEA allows for Non-Supplanting to be determined by using either, *State and Local Funds* combined or by using *Local Funds* only. Because the **MUNIS** accounting system does not by default track expenditures specifically spent from *Local* revenue, a manual calculation has to be done to extrapolate the amount of the *State and Local Funds* that are from *Local* revenues. For Fund 1, the DLS has set the % ***State*** at 100.00% while for Fund 2 % ***Federal*** has been set to 100.00%. These percentages may be changed locally as needed. However, the total percent across all fund sources within a Fund should always equal 100.00%.

Assigning percentages to each of the levels (Local, State, Federal, and Other) will allocate a portion of the expenditures from the Fund to

Upon completion of Steps 8 and 9, return to the “***MoFE Report***” tab.

Step 10: Review Rows 3a, 3b and 3c. See the image below.

3. Amount of funds included in Line 1d above spent to provide special education and related services to children with disabilities prorated between Elementary and Secondary. Report State/Local and Non-IDEA Federal Funds separately from Federal IDEA Funds. (Amounts Auto-Populated from 'Prior Year Expenditures' tab.)	a) Non-IDEA Funds	0.00	0.00
	b) IDEA Funds	0.00	0.00
	c) Total	0.00	0.00

The amount on Row 3a will equal the amount from the “***Last Year***” tab that is the sum of Fund 1, Fund 2 and On-Behalf, less the amount reported for IDEA expenditures.

The amount on Row 3b will equal the amount from the “***Last Year***” tab that is the amount reported for IDEA expenditures.

The amount on Row 3c is the sum of Rows 3a and 3b.

After reviewing Row 3, go to the tab labeled “***Other Federal Programs***”.

Step 11: This step requires district to enter expenditure data at the elementary and secondary levels as defined at Step 3 that are incurred to operate the **Title I** program(s) of the district and to operate its programs for **English Learners**. The first program reported is **Title I**.

Expenditure Activity (SY 2012-2013)	Expenditures for Other Federal Programs			
	Amount of ALL Funds Spent Implementing Title I Basic Programs Included on Line 1			
	Title I Basic Federal Funds Spent		All Other Federal, State, or Local Funds Spent	
	Elementary	Secondary	Elementary	Secondary
Salary of the Program Director				
Salaries of Other Personnel Include Salaries of Personnel Who: • Provide Instructional Services to Students Participating in the Program. • Provide Instructional Assistance Such as Instructional Aides and Paraprofessional.				

In the first pair of columns report expenditures from the **Title I Funds** during the 2013-2014 school year. These expenditures should be reported by the same Activities as used for the special education program on the “***Last Year***” tab.

In the second pair of columns report expenditures from any other **Non-Title I** fund source used to operate or support the **Title I** program. It is not unusual for there to be no expenditures in these columns.

After reporting all of the expenditures above spent supporting the **Title I** programs, scroll to the next pair of columns to the right to report expenditures supporting programs for **English Learners** in your district. This program has been referred to as many different names including **English Learners**, *English Language Learners*, *Limited English Proficiency*, and *English as a Second Language*.

Expenditure Activity (SY 2012-2013)	EL Programs (Title I and EL)			
	Amounts of All Funds Spent Implementing EL Programs Included on Line 1			
	Federal ELL, LEP, or ESL Funds Spent		All Other Federal, State, or Local Funds Spent	
	Elementary	Secondary	Elementary	Secondary
Salary of the Program Director				
Salaries of Other Personnel Include Salaries of Personnel Who: • Provide Instructional Services to Students Participating in the Program. • Provide Instructional Assistance Such as Instructional Aides and Paraprofessional.				

Complete these columns the same as the columns for **Title I** were completed. The first pair of columns is for expenditures specifically from the Federal Grant awarded to the district for this purpose. The second pair of columns is for expenditures of any other funds made to support the **English Learners** program.

Upon completion of this tab, go to the “**MoFE Report**” tab and review Rows 4 and 5.

Step 12: Review Rows 4 and 5. See the image below.

4. Amount of funds included in Line 1d above spent implementing Title I Basic programs prorated between Elementary and Secondary. Report State/Local and Non-Title I Basic Federal Funds separately from Federal Title I Basic Funds . (Amounts Auto-Populated from 'Other Federal Programs' tab for Title I.)	a) Non-Title I Funds	0.00	0.00
	b) Title I Basic Funds	0.00	0.00
	c) Total	0.00	0.00
5. Amount of funds included in Line 1d above spent implementing English Language Learners/Limited English Proficient programs prorated between Elementary and Secondary. Report State/Local and Non-ELL Federal Funds separately from Federal ELL Funds . (Amounts Auto-Populated from 'Other Federal Programs' tab for Title III.)	a) Non-ELL Funds	0.00	0.00
	b) Federal ELL Funds	0.00	0.00
	c) Total	0.00	0.00

The amount on Row 4a will equal the amount from the “**Other Federal Programs**” tab that is the sum of the expenditures from the district’s **Title I Funds** during the 2013-2014 school year.

The amount on Row 4b will equal the amount from the “**Other Federal Programs**” tab that is the amount reported for all other expenditures of **Non-Title I Funds** in support of the **Title I** program.

The amount on Row 4c is the sum of Rows 4a and 4b.

The amount on Row 5a will equal the amount from the “**Other Federal Programs**” tab that is the sum of the expenditures from the district’s **English Learners Funds** during the 2013-2014 school year.

The amount on Row 5b will equal the amount from the “**Other Federal Programs**” tab that is the amount reported for all other expenditures of **Non-English Learner Funds** in support of the **English Learners** program.

The amount on Row 5c is the sum of Rows 5a and 5b.

After reviewing Row 3, go to the tab labeled “**MoFE Report**”.

- Step 13: On Row 6, enter the amount of reimbursements the district received from Medicaid for Health Services provided to special education students. This reimbursement should be attributed to the appropriate level based on whether the student for which reimbursements were made was in elementary or secondary school at the time of the service.

6. Amount of reimbursements received during the prior year from Medicaid for health services provided to special education students prorated between Elementary and Secondary.		
--	--	--

- Step 14: Rows 7 through 12 of the Excess Cost Section of the MoFE Report are auto-calculated or pre-populated based on data entered previously or other information.

7. Sum of Lines 2 + 3c) + 4c) + 5c) + 6. (Auto-Calculated sum)	0.00	0.00
8. Total Amount of Applicable State and Local Expenditures (Auto-Calculated: Total reported on Line 1d less the amount calculated on Line 7) .	0.00	0.00
9. For the appropriate school year enter the Elementary (K-8) and Secondary (9-12) Student Populations using the Growth Factor Ethnic Membership Report . Refer to the Growth Factor Count by Grade included with the email providing this form. Include only children in Grades K through 12 (inclusive of grade 14 as secondary) based on how your district's elementary and secondary programs are configured. Pre-Populated based on K-8 Elementary and 9-12 Secondary. To Change edit the count at top of this page for Prior Year Growth Factor Count.	0	0
10. Prior Year *Average Per Pupil Amount (APPA) of State and Local Expenditures . (Auto-Calculated : Total Amount of Expenditures on Line 8 divided by the count of students reported on Line 9)	0.00	0.00
11. Enter the 2013-2014 Current School Year December 1 Child Count of Children with Disabilities in Grades and respectively.	0	0
12. Total Minimum Amount of State and Local funds the district must spend during the Current School Year providing general education to its children with disabilities before using IDEA Part B funds. (Auto Calculated : The prior year APPA reported on Line 10 times the current year December 1 Child Count reported on Line 11.)	0.00	0.00

Row 7 is an auto-calculated field that is the sum of Rows 2, 3c, 4c, 5c and 6.

Row 8 is an auto calculated field that is the amount from Row 1d less the amount on Row 7.

Row 9 is an auto populated number that is the count of students by elementary or secondary from the district’s October 2013 Growth Factor Report. This count is auto-populated when the range of secondary grades was selected in Step 3.

Row 10 is an auto-calculated amount of the total in Row 8 divided by the count in Row 9. This is the *Average Per Pupil Expenditure* of the district from state and local funds spent providing general education to all children in the district.

Row 11 is the December 1, 2014 IDEA Child Count by elementary and secondary. This field is auto-populated when the data are entered at the top of this page as described in Step 4.

Row 12 is an auto-calculated amount that multiplies the *Average Per Pupil Expenditure* from Row 10, times the December 1 Child Count on Row 11. This is the minimum amount of state and local funds the district must spend providing general education and access to the general curriculum to children with disabilities prior to spending IDEA funds. Expenditures in excess of this total are considered the Excess Cost of providing special education. *(Note that amounts of state and local funds spent providing general education curriculum to students with disabilities even in a special education setting are included towards meeting this amount.)*

Step 15: Certifying the district has met Excess Cost requirement.

Meeting the Excess Cost Certification			
<p>The district certifies that during the Current School Year it will spend from state and local resources at least the Total Minimum Amount reported on Line 12 providing general education services to children with disabilities prior to spending IDEA funds.</p> <p>This statement must be affirmed separately for both Elementary and Secondary by selecting 'YES' in the cells to the right. (A 'Non-response' or a 'NO' for either level means the district Did Not Meet the Excess Cost Requirement.)</p>			

For both the elementary and secondary levels separately the district must certify that it spent either the average per pupil amount on Row 10 or the aggregate amount on Row 12 from state and local resources providing general education and access to the general education curriculum to children with disabilities. The two cells to the right are drop boxes and the district must choose Yes for both levels.

Completion of Step 15 finalizes the **Excess Cost** portion of the **MoFE Report**.

Part II – Maintenance of Fiscal Effort (MoFE) Reduction and Non-Supplanting

Excess Cost and Non-Supplanting are separate requirements of the IDEA. While the Excess Cost requirement requires a district to provide the same average per pupil expenditure providing general education to all students, including children with disabilities, Non-Supplanting requires a district to maintain from year to year the special education services provided to children with disabilities. Part II of MoFE Report deals specifically with the Non-Supplanting requirements.

Step 1: While the IDEA does require districts to maintain if effort relative to providing special education services from year to year, there are times when a district is allowed to reduce its effort. This occurs when a district's award under the IDEA (Basic) is greater one year than it was the preceding year. When this occurs, if a district meets eligibility, it may reduce its effort by up to half of the increase. Eligibility is documented on Row 13.

Eligibility for MoFE Adjustment Reduction (Due to Increase in IDEA Funds from Last Year to This Year)	
13a) The District is required to implement Coordinated Early Intervening Services (CEIS) during the Current School Year due to Significant Disproportionality. (Pre-Populated)	No
13b) The District received a 'MEETS' on its most recent Annual District Determinations for its special education program. (Pre-Populated)	Yes
13c) This is the District's Status for MoFE Adjustment for the Current School Year if available. (Auto Populated: If either Line 13a) or 13b) or both are 'No', the district is not eligible for MoFE Reduction.)	Eligible

To be eligible for the MoFE reduction when available, a district must not have significant disproportionality that resulting in a requirement that the district set aside 15% of the current IDEA award to provide coordinated earl intervening services (CEIS). Row 13a is pre-populated '**No**'. Districts should select the response to this question as '**Yes**' if the district is required to implement CEIS and is not eligible for this type of MoFE reduction.

In addition to not being required to provide CEIS, the district must also have received an annual determination of '**Meets**' with respect to its special education programs. Row 13b is pre-populated with '**Yes**'. If the response is '**No**', then the district failed to **Meet** special education requirements and is not eligible for this type of MoFE reduction.

Row 13c is pre-populated with '**Eligible**'. If the District response is '**Not Eligible**' then the district is not allowed this type of reduction if it were available.

Step 2: Row 14a requires a district to document whether or not it is voluntarily implementing CEIS for the current school year. If the response to Row 14a is **‘No’**, then the district may proceed to Row 15. If the answer is **‘Yes’**, then the district must provide in Row 14b, the amount of its IDEA funds (up to 15%) that it is setting aside for CEIS. Districts that were listed as **‘Eligible’** on Row 13c but are setting aside an amount for CEIS voluntarily only 14b, will have any MoFE reduction allowed by the increase in IDEA funds reduced by the amount of funds set aside for voluntary CEIS. After completing Row 14 proceed to Row 15.

Voluntary use of IDEA Funds for Coordinated Early Intervening Services (CEIS)	
14a) Is the district voluntarily using IDEA funds for Coordinated Early Intervening Services during the Current School Year ? (Pre-Populated as ‘NO’ . However, if voluntarily setting aside IDEA funds for CEIS, change the response to ‘YES’ .)	-
14b) Enter the amount of IDEA funds voluntarily budgeted for CEIS activities for the Current School Year . (Voluntary CEIS is limited to NOT MORE THAN 15% of the combined amount of the current year IDEA allocations under Section 611 (Awards to States) and Section 619 (Preschool)).	

Step 3: Row 15 calculates the amount, if any, that an eligible district may be allowed to reduce its effort if there is an increase in IDEA funds this year over last.

Calculation of MoFE Adjustment (Reduction) Due to Increase in IDEA Funds, if Applicable (If Line 13c is ‘Not Eligible’ , Amount of MoFE Reduction Allowed on Line 15f will be 0.00)	
15a) Amount of the district's Current School Year IDEA Basic allocation. (Auto-Populated)	-
15b) Amount of the district's Prior School Year IDEA Basic allocation. (Auto-Populated)	-
15c) Amount of Increase in IDEA Funds for the Current School Year above the Prior School Year . (Auto-Calculated)	-
15d) <u>Potential</u> amount of MoFE Reduction due to Increased IDEA Funds. (Auto-Calculated)	-
15e) Amount of IDEA Funds voluntarily budgeted to Implement CEIS Activities. (Auto-Calculated)	0.00
15f) Amount of MoFE Reduction Allowed for the Current School Year . (Auto-Calculated: If the District answered ‘YES’ to Line 13a) or ‘NO’ to 13b) above, then MoFE Reduction is NOT allowed).	0.00

Row 15a is pre-populated with the amount of the district’s current year IDEA allocation.

Row 15b is pre-populated with the amount of the district’s most recent prior year IDEA allocation.

Row 15c is an auto-calculated with the difference between Row 15a and 15b when the amount for 15a is greater than the amount for 15b. If the amount on Row 15b is greater than the amount on Row 15a then Row 15c is **‘NA’**.

Row 15d is auto-calculated with the product of multiplying the amount on Row 15c by 50%. This is the *potential* amount of reduction that an eligible district is allowed.

Row 15e is pre-populated with the amount from Row 14b that a district has voluntarily set aside for CEIS, if applicable.

Row 15f is the auto-calculated final amount a district is allowed to reduce its effort for the current school year. Note that if there is no increase in IDEA funds this year, or if the district is not eligible for a reduction, this cell will be **'0.00'**.

Step 4: Row 16 begins the comparison of state and local expenditures spent providing special education and related services from the 2012-2013 school year to the amount spent during the 2013-2014 school year. Previously on the **'Last Year'** tab used for Part I, Excess Cost data was provided that documented expenditures for special education and related services during the 2013-2014 school year. As part of the pre-population of this file, data included on your MoFE Report last year that included expenditures for special education and related services for the 2012-2013 school year were imported onto the tab labeled **'Previous Year'**. However the yellow cells on that tab while populated with amounts from last year's report, may be edited to reflect more accurate information if necessary. The **'Previous Year'** tab is similar to the 'Last Year' tab in content and structure except it does not provide grand totals that are separate for elementary and secondary. Only Excess Cost requires the elementary and secondary distinction and the 'Previous Year' tab is not used for the Excess Cost calculations.

Non-Supplanting <i>Districts may meet the Non-Supplanting requirement by either an Aggregate Total or a Per Child Amount of State and Local Funds or Local funds Only Spent Providing Special Education and Related Services to Children with Disabilities.</i>			
		<i>Fund Source</i>	<i>State and Local</i>
16a) Total spent providing special education and related services SY 2011-12 Less Allowed MoFE Reduction for SY 2012-13: <i>(Pre-Populated based on last year's MoFE Report - See Previous Year Tab on This Workbook).</i> <i>Note: This is the total amount spent two (2) school years ago less MoFE Reduction if available during the Previous School Year.</i>			
			0.00
16b) Exceptions Occurring SY 2012-13 with Allowed Reductions (<i>Expense Included in Fund 1 on Previous Year Tab</i>)			
Allowable Reductions due to: <i>Provide documentation to justify these amounts.</i>	i) Voluntary Departure of Staff.		0.00
	ii) Termination of the obligation of the district to provide a program of special education		0.00
	iii) Termination of costly expenditures for long-term purchases		0.00
	iv) Total Allowed Reductions:	0.00	0.00
16c) Amount of State and Local or Local Funds After Allowable Reductions.		0.00	0.00
16d) December 1, 2011 Child Count Grades K through 12.			0
16e) Minimum Per Child Amount to be Spent During the 2012-2013 School Year.		0.00	0.00
16f) December 1, 2012 Child Count Grades K through 12.			0
16g) Minimum Required Amount of State and Local Funds or Local Funds Only to be Spent During the 2012-2013 School Year.		0.00	0.00

Row 16a under State and Local is auto-calculated based on the data imported into the 'Previous Year' tab. If the data on that tab is changed, then the amount on Row 16a will automatically update. Please note that there is a column in Row 16 that is specific to Local Funds Only. This is optional at this time.

A district has the ability to provide amounts for potential MoFE reductions per the exceptions allowed by the IDEA. There are three yellow highlighted cells on Row 16b. The first cell is for reductions due to voluntary departure of special education

staff paid with state and local funds who were employed during the 2012-2013 school year and whose salary and benefits are included on Row 16a. The second allowable exception is for costs to provide a particular program of special education included in Row 16a during the 2012-2013 school year that is no longer required for the 2013-2014 school year. This could include program costs as well as equipment, devices, materials, and supplies specific to the program for a child who is no longer in the district or who does not need the particular costs for the 2013-2014 school year. The third exception is the termination of costly expenditures for long term purchases that were included on Row 16 for 2012-2013 but were no longer required for 2013-2014. The amounts entered on this cell will be totaled at 16b-iv.

Please note that if expenditures are provided in 16b for any of the allowed exceptions, detailed documentation must be provided that describes the specific reduction, why it was considered a reduction and how the total reduction was calculated.

Row 16c is an auto-calculated amount that subtracts the amount for Row 16b from the amount in Row 16a.

Row 16d is the December 1, 2012 IDEA Child Count for grades K through 12 that was pre-populated when the Secondary Grade Range was selected in Step 3 of Part I for Excess Cost.

Row 16e is the Minimum Per Child Amount the district must spend during the 2013-2014 school year and is auto-calculated by dividing the total amount spent during 2012-2013 as reduced by the allowable exceptions on Row 16c by the child count on row 16d.

Row 16f is the December 1, 2013 IDEA Child Count for grades K through 12 that was pre-populated when the Secondary Grade Range was selected in Step 3 of Part I for Excess Cost.

Row 16g is the Minimum Required Amount of State of state and local funds that must have been spent during the 2013-2014 school year to meet the Non-Supplanting Requirement.

Step 5: Row 17 documents the expenditures providing special education and related services during the 2013-2014 school year. These data are auto-calculated based on data already entered on the '**Last Year**' tab for calculating Excess Cost in Part I.

17a) Amount of State and Local funds or Local Funds Only Spent Providing Special Education and Related Services to Children with Disabilities During the 2012-2013 School Year (Auto-Calculated: Based on data entered on the 'Prior Year Expenditures' tab of this workbook.)		0.00	0.00
17b) Per Child Amount of State and Local Funds or Local Funds Only Spent Providing Special Education and Related Services to Children with Disabilities During the 2012-2013 School Year. (Auto-Calculated: Line 17a divided by the December 1, 2012 Child Count on Line 16f.)		0.00	0.00
Note: If BOTH the values in Lines 17a) and 17b) display RED , an allowable exception with a detailed explanation MUST be submitted that describes why the district spent less state and local funds than the previous year. The explanation must document the amount of reduction for any exceptions used. If the documented reductions from allowable exceptions do not explain the total amount of the reductions, the district has not met this requirement.			

Row 17a is the Amount of State and Local Funds spent providing special education and related services during the 2013-2014 school year and is auto-calculated from the '**Last Year**' tab.

Row 17b is the Per Child Amount of State and Local Funds spent providing special education and related services during the 2013-2014 school year and is auto-calculated dividing the amount on Row 17a by the December 1, 2013 Child Count on row 16f.

Please note that if BOTH the amount on 17a and the amount on 17b are red (which means they are less than the amounts on Rows 16g and 16e respectively) then **the district has failed to meet the Non-Supplanting Requirement** for 2013-2014 and should review the data on the '**Previous Year**' and '**Last Year**' spreadsheets as well as the amounts for row 16b.

Step 6: Row 18 is an auto-calculated amount that simply re-states the amount allowed for MoFE Reduction as calculated in Row 15f. This amount is repeated here for convenience.

18. Amount of MoFE Reduction Allowed as calculated on Line 15f) above for the purpose of meeting the Maintenance of Fiscal Effort and Non-supplanting requirements for the 2013-2014 School Year . (Amount from Line 15f) above).	0.00
---	------

Step 7 Row 19 is similar to Row 16. Row 16 calculates the potential reductions allowed to the expenditures from 2012-2013 school year due to allowable exceptions. Row 19 calculates the potential allowed reductions allowed to the expenditures from 2013-2014 school year due to the same type of allowable exceptions.

19a) Amount of State and Local Funds or Local Funds Only required to be spent providing special education and related services to children with disabilities during the 2013-2014 School Year . (Auto-Calculated: Amount on Line 17a minus the amount of MoFE Reduction reported on Line 18 if applicable.)		0.00	0.00
19b) Exceptions anticipated SY 2013-14 with Allowed Reductions (Expense Included in Fund 1 on Last Year Tab)			
Allowable Reductions due to: <i>Provide documentation to justify these amounts.</i>	i) Voluntary Departure of Staff		0.00
	ii) Termination of the obligation of the district to provide a program of special education		0.00
	iii) Termination of costly expenditures for long-term purchases		0.00
	iv) Total Allowed Reductions:	0.00	0.00
19c) Minimum Total Amount to be Budgeted for the Current Year After Allowable Reductions.		0.00	0.00
19d) Minimum Per Child Amount to be Budgeted for the Current Year to provide special education and related services to children with disabilities. (Auto-Calculated: The amount on Line 19a divided by the Child Count reported on Line 16f above.)		0.00	0.00

Row 19a is an auto-calculated amount that subtracts the amount on Row 18 from the amount on Row 17a. This is the tentative amount required to be spent and budgeted for the 2014-2015 school year prior to any allowed exceptions that would reduce this amount.

Row 19b uses the same criteria as used in Row 16b except the expenditures described had to have occurred during 2013-2014 and will not occur in the 2014-2015 school year due to the identified allowed exceptions.

Row 19c is an auto-calculated amount that subtracts the amount of the allowed exceptions on 19b from the tentative required amount on 19a. This is the total amount of State and Local Funds the district must budget for the 2014-2015 school year to meet the Non-Supplanting requirement for 2014-2015.

Row 19d is an auto calculated amount that divides the amount on 19c by the December 1, 2013 Child Count from row 16f.

Step 9: Row 20 is auto-calculated based on data as entered in the tab labeled '**Current Year Budget**'.

20a) **Amount of State and Local Funds or Local Funds Only budgeted to provide special education and related services to children with disabilities during the 2013-2014 School Year . Must be equal to or greater than the amount on Line 19a) or an explanation must be submitted unless the value on Line 20c) is NOT displayed in RED . See question #7 on pages 4-5 of the instructions for allowable exceptions. <i>(Auto Calculated: Based on data entered on the 'Current Budgeted Amount' tab of this workbook.)</i>	0.00	0.00
20b) December 1, 2013 Child Count Grades K through 12.	0	
20c) **Per Child Amount Budgeted from State and Local Funds or Local Funds only for the 2013-2014 School Year . <i>(Auto Calculated: Line 20a divided by the Line 20b)</i>	0.00	0.00
Note: If BOTH the values in Lines 20a) and 20c) display RED , an allowable exception with a detailed explanation MUST be submitted that describes why the district spent less state and local funds than the previous year. The explanation must document the amount of reduction for any exceptions used. If the documented reductions from allowable exceptions do not explain the total amount of the reductions, the district has not met this requirement.		

The '**Current Year Budget**' worksheet is completed in the same manner as the 'Last Year' tab as described in Steps 8 and 9 of Part I Excess Cost. However instead of reporting expenditures that actually occurred during the 2013-2014 as required in the '**Last Year**' spreadsheet, the '**Current Year Budget**' spreadsheet requires that data be entered based on amounts budgeted for the 2014-2015 school year. Otherwise the instructions are the same for each worksheet.

Row 20a is auto calculated from the 'Current Year Budget' spreadsheet based on its successful completion.

Row 20b is the December 1, 2014 Child Count and is auto-calculated as entered at the top of the '**MoFE Report**' page.

Row 20c is the auto-calculated amount of the total on Row 20a divided by the Child Count on Row 20b.

To meet the Non-Supplanting Requirement for 2014-2015 the one or both of the amounts at Row 20a and 20c must equal or exceed the amounts on Row 19c and 19d respectively. If neither Row 20a or 20c meet the required amounts then then **the district has failed to meet the Non-Supplanting Requirement** for 2014-2015.

If the amounts for 20a and 20c do not meet the requirements, it is suggested that the amounts budgeted as reported on the 'Current Year Budget' sheet be reviewed and revised.

QUESTIONS AND ANSWERS

1. *What is the purpose of this report?*

This report is required by Part B of the Individuals with Disabilities Education Act (IDEA-B) to demonstrate that school districts are meeting the requirements of 34 CFR Parts 300.16 and 300.202 related to the excess cost requirement and the use of IDEA-B funds, and 300.203-205 related to maintenance of fiscal effort.

2. *What does the term “excess costs” mean?*

The term “excess costs” is defined as those costs that are in excess of the average annual per-student expenditure in a school district during the preceding school year for an elementary school or secondary school student as may be appropriate. This cost must be computed after deducting amounts received under

- a) Part B of the Act;
- b) Part A of title I of the ESEA;
- c) Parts A and B of title III of the ESEA; and
- d) any state or local funds expended for programs that would qualify for assistance under any of these parts but excluding any amounts for capital outlay or debt service. [34 CFR Part 300.16]

3. *What is the purpose of the excess cost requirement?*

The excess cost requirement prevents a school district from using IDEA-B funds to pay for all of the costs directly attributable to the education of a child with a disability. [34 CFR Part 300.202(b)(1)(i)]

The excess cost requirement does not prevent a school district from using IDEA-B funds to pay for all of the costs directly attributable to the education of a child with a disability in any of the ages 3, 4, 5, 18, 19, 20, or 21, if no local or State funds are available for non-disabled children in that age range. However, the district must comply with the non-supplanting and other requirements of this part in providing the education and services for these children. [34 CFR Part 300.202(b)(1)(ii)]

(Note: Kentucky provides State funds for educating children ages 5, 18, 19, and 20, therefore the excess cost requirement applies to children with disabilities in these age categories.)

4. *How do districts meet the excess cost requirement?*

A district meets the excess cost requirement if it has spent at least a minimum average amount for the education of its students (*elementary and secondary*) with disabilities before IDEA-B funds are used. This minimum amount is determined by a formula and does not include capital outlay or debt service. [34 CFR Part 300.202(b)(2)(i-ii)]

The minimum amount that must be spent educating children with disabilities is the average annual per student expenditure (*elementary and secondary*) in a school district during the preceding school year, computed after deducting amounts received under

- a) Part B of the Act;
- b) Part A of title I of the ESEA;
- c) Parts A and B of title III of the ESEA; and
- d) Any state or local funds expended for programs that would qualify for assistance under any of these parts but excluding any amounts for capital outlay or debt service. [34 CFR Part 300.16]

5. *What are the general requirements related to the use of IDEA-B funds?*

School districts must have information on file with the Kentucky Department of Education to demonstrate that the amounts provided under IDEA-B must be:

- a) expended in accordance with the applicable provisions of IDEA-B;
- b) used only to pay the excess costs of providing special education and related services to children with disabilities; and
- c) used to supplement State, local and other Federal funds and not to supplant those funds. [34 CFR Part 300.202]

6. *What are the requirements related to maintenance of fiscal effort?*

IDEA-B funds may not be used to reduce the level of expenditures for the education of children with disabilities made by the school district from State and local funds below the level of those expenditures for the preceding fiscal year. The district must have on file with the Kentucky Department of Education information to demonstrate that this requirement is met. [34 CFR Part 300.203(a)]

In order to be eligible for an IDEA-B grant award, the school district must budget for the education of children with disabilities at least the same total or per-capita amount from State and local funds as it spent from State and local funds for that purpose in the most recent prior year for which information is available. [34 CFR Part 300.203(b)(1)]

7. *Must a district always maintain the same level of State and local spending for the education of children with disabilities as the preceding year?*

No, there are exceptions to this requirement. A school district may reduce the level of expenditures of State and local funds below the level of those expenditures for the preceding fiscal year if the reduction is attributable to the following:

- a) The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel,
- b) A decrease in the enrollment of children with disabilities.

- c) The termination of the obligation of the district to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the Kentucky Department of Education, because the child—
 - (i) *Has left the jurisdiction of the district;*
 - (ii) *Has reached the age at which the obligation of the district to provide a free appropriate public education to the child has terminated; or*
 - (iii) *No longer needs the program of special education.*
- d) The termination of costly expenditures for long-term purchases, such as the acquisition of handicapped buses, special equipment or the construction of school facilities.
- e) The assumption of cost by the high cost fund operated by the SEA under 300.704(c) (*Note: Kentucky does not maintain a high cost fund as described by this Regulation*). [34 CFR Part 300.204]

8. *Are there other factors that impact the maintenance of fiscal effort requirement?*

Yes. A district may make adjustments to its local effort for:

- a) Any fiscal year for which the allocation received by a district exceeds the amount the district received the previous fiscal year; the district may reduce its level of expenditures of State and local funds by not more than 50% of the amount of that excess. [34 CFR 300.205(a)]
- b) Use of amounts to carry out activities under ESEA. If a district exercises the authority under the paragraph above, the district must use an amount of local funds equal to the reduction in expenditures under that paragraph to carry out activities that could be supported with funds under the ESEA for those activities. [34 CFR 300.205(b)]
- c) If the SEA determines that a district is unable to establish and maintain programs of FAPE that meet the requirements of section 613(a) of the Act or the SEA has taken action against the district under section 616 of the Act and subpart F of the regulations, the SEA must prohibit the district from reducing the level of expenditures under paragraph (a). [34 CFR 300.205(c)]
- d) Special Rule: The amount of funds expended by a local district for early intervening services under 300.226 shall count toward the maximum amount of expenditures that the LEA may reduce as described above. [34 CFR 300.205(d)]

WORKSHEET GUIDE

This table is provided as an aid in determining the amount spent on the district's special education, Title I Basic and Title III English Language Learners/Limited English Proficiency programs regardless of fund source. Column (A) lists the possible types of expenditures for which State and local funds may have been used, and Columns (B) and (C) describe how to determine the amount of expenditures for each program. Use the MUNIS Year to Date Budget Report for the appropriate school year to help determine the amounts to enter on the appropriate worksheet.

(A) POSSIBLE EXPENDITURES OF STATE & LOCAL FUNDS	(B) FOR SPECIAL EDUCATION	(C) FOR TITLE I AND III¹
<i>Salary of the Program Director</i>	<i>Select Org #####123</i> If only a portion of the Special Education Director's salary is paid from State and local funds, include only that portion. If the Director administers multiple programs, the salary should be pro-rated by the percentage of time spent on the special education program.	<i>Select Programs 460² and Org #####806 from project numbers 310x (Title I), 345x, and 345xi (Title III, the second one is for immigrant programs if applicable) if your district uses these project numbers to denote Title I and or Title III expenditures, otherwise manually select all state and local expenditures in support of these programs and calculate the grand total. Usually, Title I personnel are paid from federal funds and their salaries would not be included. However, Title III programs for Limited English Proficiency or English Language Learners is a supplemental program and there should be state expenditures in support of this program including personnel</i>
<u>Salaries of Other Personnel</u> <i>Include Salaries of Personnel Who:</i> <ul style="list-style-type: none">• <i>Provide Instructional Services to Students Participating in the Program.</i>• <i>Provide Instructional Assistance Such as Instructional Aides and</i>	<i>Select Programs 200-240³, Objects 0110- 0114, 0120, 0130, 0131, 0140, 0150, 0160, 0170, 0190 and 0210-0299; also, Manually Calculate Portions of Salaries for Personnel who Provide Special Education Services on a Limited Basis.</i> Include the salaries of special education teachers, evaluators of students with disabilities, speech	

¹ For most districts, the only State and local expenditures for the Title I programs are for substitutes for the Title I teachers; yet even this expenditure is rare. Therefore, most districts will have no State and local expenditures to calculate or report for Title I for line 1.c). However, for Title III, programs for English Language Learners/Limited English Proficiency are supplemental funds and there will be state and local expenditures in support of these programs reported on line 1.d).

² If program code 460 is not used to flag Title I and Title III expenditures, then select the codes used by the district to record expenditures in support of these programs.

³ If program codes 200-240 are not used to flag special education expenditures, then select the codes used by the district for this purpose, such as org numbers 0011921 and 0001921.

<p>(A) POSSIBLE EXPENDITURES OF STATE & LOCAL FUNDS</p>	<p>(B) FOR SPECIAL EDUCATION</p>	<p>(C) FOR TITLE I AND III¹</p>
<p><i>Paraprofessional.</i></p> <ul style="list-style-type: none"> • <i>Provide Administrative Assistance Such as Clerical Aides and Data Entry.</i> • <i>Provide Related or Other Services to Students Participating in the Program.</i> 	<p>therapists, occupational and physical therapists, and others who provide special education and related services on a full-time basis including non-certified instructional assistants and clerical aides paid with State and local funds. Also include the pro-rated portion of salaries of personnel, paid from State and local funds, who provide special education services on a limited basis (e.g., the time spent by guidance counselors conducting individual student assessments or providing counseling services indicated on IEPs; the time spent by a school nurse conducting catheterization of a student with disabilities.)</p> <p>Salaries of staff who serve multiple programs should be pro-rated by the percentage of time spent on the special education program.</p>	<p>and other costs.</p> <p><i>Manually Calculate</i></p> <p>For Title I programs usually these costs are paid from federal funds and would not be included. For Title III select Program 460, Objects 0130, 0140, 0150, and 0211-0299. If your district does not use Program 460 you must manually select the appropriate expenditures.</p>
<p><i>Costs of Supplies, Materials and Equipment Provided for the Program</i></p>	<p><i>Select Programs 200-240, Objects 0610, 0641-0647, 0649, 0650, 0680, 0692-0698, and 0731-0739; Also, Calculate the Amount of Supply Money Awarded to Special Education Teachers by Each School</i></p> <p>If the district does not use a special education key code for school supply money provided to special education teachers, then manually calculate this</p>	<p><i>Manually Calculate</i></p> <p>For Title I programs usually these costs are paid from federal funds and would not be included. For Title III select Program 460, Objects 0610, 0680, 0691-0698, and 0731-0739. If your district does not use Program 460 you must manually select the appropriate expenditures.</p>

(A) POSSIBLE EXPENDITURES OF STATE & LOCAL FUNDS	(B) FOR SPECIAL EDUCATION	(C) FOR TITLE I AND III¹
	amount.	
<i>Costs of Contractual Services (Legal, Speech, OT, PT, Counseling, Tuition, etc.)</i>	<i>Select Programs 200-240, Objects 0312, 0319, 0321, 0322, 0335, 0338, 0339, 0341-0349, 0431-0439, 0441-0447, 0449, 0511-0519, 0561-0569, and 0591-0592</i>	<i>Manually Calculate</i> For Title I programs usually these costs are paid from federal funds and would not be included. For Title III select Program 460, Objects 0341-0349, 0431-0439, 0441-0447, 0449, 0511-0519, 0561-0569, and 0591-0592. If your district does not use Program 460 you must manually select the appropriate expenditures.
<i>Plant Operation and Maintenance Costs</i>	<i>Select Functions 2610-2690 and Multiply by the <u>Restricted Indirect Cost Rate</u>⁴ for the District</i>	NA
<i>Special Transportation</i>	<i>Select Function 2710-2790, Programs 200-240</i>	NA
<i>Miscellaneous Costs</i>	<i>Select Programs 200-240, Objects 0531-0539, 0541-0549, 0552-0553, 0555-0559, 0580-0589, 0810, 0891-0896, and 0898-0899</i>	<i>Manually Calculate</i> For Title I programs usually these costs are paid from federal funds and would not be included. For Title III Select Program 460, Objects 0200-0240, 0531-0539, 0541-0549, 0552-0553, 0555-0559, 0580-0589, 0810, 0890-0896, and 0898-0899. If your district does not use Program 460 you must manually select the appropriate expenditures.

⁴ If the indirect cost rate was charged to the IDEA-B grant, the amount of State and local funds spent on plant operation and maintenance would be \$0.

2014-2015 MoFE Report
Supplemental Instructions

Below, please find supplemental instructions relative to completing the Maintenance of Fiscal Effort (MoFE) Form. These additional instructions are intended to provide further clarification and refer to two tabs on the **MoFE Form**; **Last Year** and **Current Year Budget** tabs. These two tabs are similar and are used to report expenditure (Last Year) and budgeting (Current Year) data relative to providing special education and related services to children with disabilities. The **Last Year Last Year** tab reports expenditures during the 2013-2014 school year while the **Current Year Budget** tab reports budgeted or anticipated expenditures for the 2014-2015 school year.

The **Last Year** tab is addressed on the instructions at *Steps 8 and 9* of **Part I** while the **Current Year Budget** tab is addressed on the instructions at *Step 9* of the **Part II** instructions. Both tabs require the reporting of expenditures or proposed expenditures at the Elementary and Secondary levels to provide special education and related services to children with disabilities.

Expenditures or budgeted amounts for other programs are **NOT** included on either of these tabs.

Below is the list of fund sources included on both tabs along with a description a description for each source:

1. **Fund 1:** Generally State and Local Funds only and referred to as the General Fund.

Special Education and Related Services: Fund 1 Expenditures	
Elementary	Secondary

2. **Fund 2:** Generally Federal IDEA Funds only but may also include other Non-IDEA Federal Funds as well as some State Grant Funds.

Special Education and Related Services: Fund 2 Expenditures	
Elementary	Secondary

3. ***On-Behalf***: These are expenditures of State funds only and are paid by the State on-behalf of the local district for certain types of employee benefits.

Special Education and Related Services: On-Behalf - Insurance and Retirement	
Elementary	Secondary

4. Sum of ***Fund 1*** plus ***Fund 2*** plus ***On-Behalf***: This is the total of all State, Local, and Federal Funds spent or budgeted by the district to provide special education and related services during the identified year.

Special Education and Related Services: Fund 1, 2 and On-Behalf Payments	
Elementary	Secondary

5. **Fund 2 *IDEA Federal Funds***: These are expenditures included in ***Fund 2*** that are from ***Federal IDEA Funds***. Because typically ***Fund 2*** expenditures for special education and related services are only from the ***IDEA*** grant this section is auto-calculated to the amount entered for ***Fund 2*** (2). However, when ***Fund 2*** includes expenditures from sources other than ***IDEA***, the amounts auto-calculated here must be overwritten to reflect only the total ***IDEA*** funds spent. Though the cells in yellow are auto-calculated they are not locked like cells of other colors that are not intended to be changed.

Special Education and Related Services: Fund 2 Expenditures - IDEA Funds	
Elementary	Secondary
0.00	0.00

6. **Fund 2 *Non-IDEA Federal Funds*:** These are expenditures included in **Fund 2** that are from Federal grants other than the IDEA. As with the **IDEA Funds** above, this amount is auto-calculated to be the difference between the amount in **Fund 2 (2)** less the amount of **IDEA Funds (5)** above. However, if there were fund sources reported in **Fund 2 (2)** that were from State Grants, then the amounts auto-calculated for this section in the yellow cells below must be overwritten to reflect the amount from **Fund 2** that were from **Federal, Non-IDEA** sources.

Special Education and Related Services: Fund 2 - Other Federal (Non-IDEA) Funds	
Elementary	Secondary
0.00	0.00

7. **Total *All Federal Funds*:** This is the auto-calculated sum of **IDEA Federal Funds** from number 5 above plus **Non-IDEA Federal Funds** from number 6 above.

Special Education and Related Services: Total - All Federal Funds	
Elementary	Secondary

8. **Total *State and Local Funds*:** This is the auto-calculated sum of the expenditures reported from **Fund 1, Fund 2** and **On-Behalf** in number 4 less the total of all **Federal Funds** in number 7.

Special Education and Related Services: Total - State and Local Funds	
Elementary	Secondary

It is important that for both the Last Year and Current Year Budget tabs that the expenditures and budgeted amounts above be entered in the order listed. This means the first expenditures to be entered are those from **Fund 1 (1)** followed by **Fund 2 (2)**, **On-Behalf (3)**; **IDEA Federal Funds (5)**; and **Non-IDEA Federal Funds**.

Amounts for item 4, 7, and 8 are auto-calculated and do not require separate entries.

Example of LEA MoFE Reductions

IDEA provides several acceptable reasons for an LEA to reduce MOE. Please provide examples to illustrate implementation of these reasons. What about a district that pulls kids back in from high cost program?

Under 34 CFR §300.204, notwithstanding the restriction in §300.203(a), an LEA may reduce the level of expenditures by the LEA under Part B of the Act below the level of those expenditures for the preceding fiscal year if the reduction is attributable to any of the following: (a) The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel. (b) A decrease in the enrollment of children with disabilities. (c) The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability, that is an exceptionally costly program, as determined by the SEA, because the child—(1) Has left the jurisdiction of the agency; (2) Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or (3) No longer needs the program of special education. (d) The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities. (e) The assumption of cost by the high cost fund operated by the SEA under §300.704(c).

Examples:

- (a) The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.
A long-term teacher retires at the end of the school year, making \$55,000 the year she leaves. For the next year (year 2), a new teacher is hired, making \$30,000 per year. The LEA meets MOE even if it spends \$25,000 less on special education and related services in year 2 than in the prior year. (Note: a RIF does not constitute a voluntary departure.)
- (b) A decrease in the enrollment of children with disabilities.
The district's enrollment decreases by 100 children from one year (year 1) to the next (year 2). Eight of those children were children with disabilities. The average expenditure for special education and related services for an individual child with a disability in the district is \$2,000 in local funds, and \$6,000 in State funds. The LEA satisfies its MOE obligation even if in year 2 it spends \$16,000 less on special education and related services if calculating MOE on local funds only, or \$64,000 less if calculating MOE on State and local funds, than in the prior year.

- (c) The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability, that is an exceptionally costly program, as determined by the SEA, because the child—(1) Has left the jurisdiction of the agency; (2) Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or (3) No longer needs the program of special education.
- (1) A child placed by the public agency in a local day-treatment facility moves to another State over the summer. For the school year before the child moves, the LEA pays the \$45,000 costs of the child's placement in the day treatment facility. The average annual cost of special education and related services for the children with disabilities in the district is \$5,000. The cost of the day-treatment facility meets the State's criteria for an exceptionally costly program -- which this State defines as at least four times the cost of special education and related services in the district. The LEA meets MOE for the next year even though it spent \$40,000 less on special education and related services than in the prior year.
 - (2) A child receives services in a regional program within the LEA for children with hearing impairments. The average cost of special education in the district is \$5,000 per child but the regional program costs the LEA \$25,000 which meets this State's criteria for an exceptionally costly program (at least four times the cost of special education and related services in the district). The child remains in the program until the end of the year she turns 20, which is the upper limit of FAPE in the State. The next year, the LEA meets its MOE level even if it spends \$20,000 less on special education and related services than it did the prior year.
 - (3) An LEA pays \$42,000 for a child to attend a regional program for children with serious emotional disturbance (an exceptionally costly program under this State's criteria -- more than five times the average cost of special education and related services of \$5,000 in the LEA). The child is returned to his home school the next year because he has demonstrated that he no longer needs the intensive services provided in the regional program. The LEA meets its MOE in the year the child is no longer in the regional program even if it spends \$37,000 less for special education and related services than in the prior year.
- (d) The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.
- The LEA entered into a construction project for a new elementary/middle school complex. The project was to last 3 years. Part of the construction was the inclusion of an elevator in the 3-story building for children with orthopedic or other mobility impairments, and amplification systems built into the walls as part of a regional program for children with hearing impairments. The cost to special education was prorated based on prospective usage and amounted to \$25,000 in State/local funds each year of the three-year contract. In the fourth year, after completion of the contract, the LEA can meet its MOE obligation even if it spends \$25,000 less for special education and related services than it did the prior year.
- (e) The assumption of cost by the high cost fund operated by the SEA under §300.704(c). In this State the 'average per pupil expenditure' (APPE) is \$5,000. The State's definition of 'high need child' for purposes of the high cost fund (under 300.704(c)(3)(i)((A)(2) a

State must ensure that the cost of a high need child is at least three times APPE) is a child whose services cost at least \$15,000. The annual cost of education for a particular child is \$25,000. In year one the LEA pays \$25,000 for this child's education. In year 2, the State's high cost funds picks up one-half the year 2 cost. The LEA would meet MOE in the year the State high cost fund pays \$12,500 for the education of this child (year 2), even if it spent \$12,500 less than it did in the prior year (year 1) for special education and related services overall.